

REPORT

OF THE

GOVERNOR AND COMMITTEE

OF THE

HUDSON'S BAY COMPANY,

TO BE

LAID BEFORE THE SHAREHOLDERS,

ON TUESDAY, JULY 1ST, 1884.

LONDON:

PRINTERS: SIR JOSEPH GAUSTON AND SONS,
47, EASTCHEAP, E.C., & SOUTHWARK ST., S.E.

1884.

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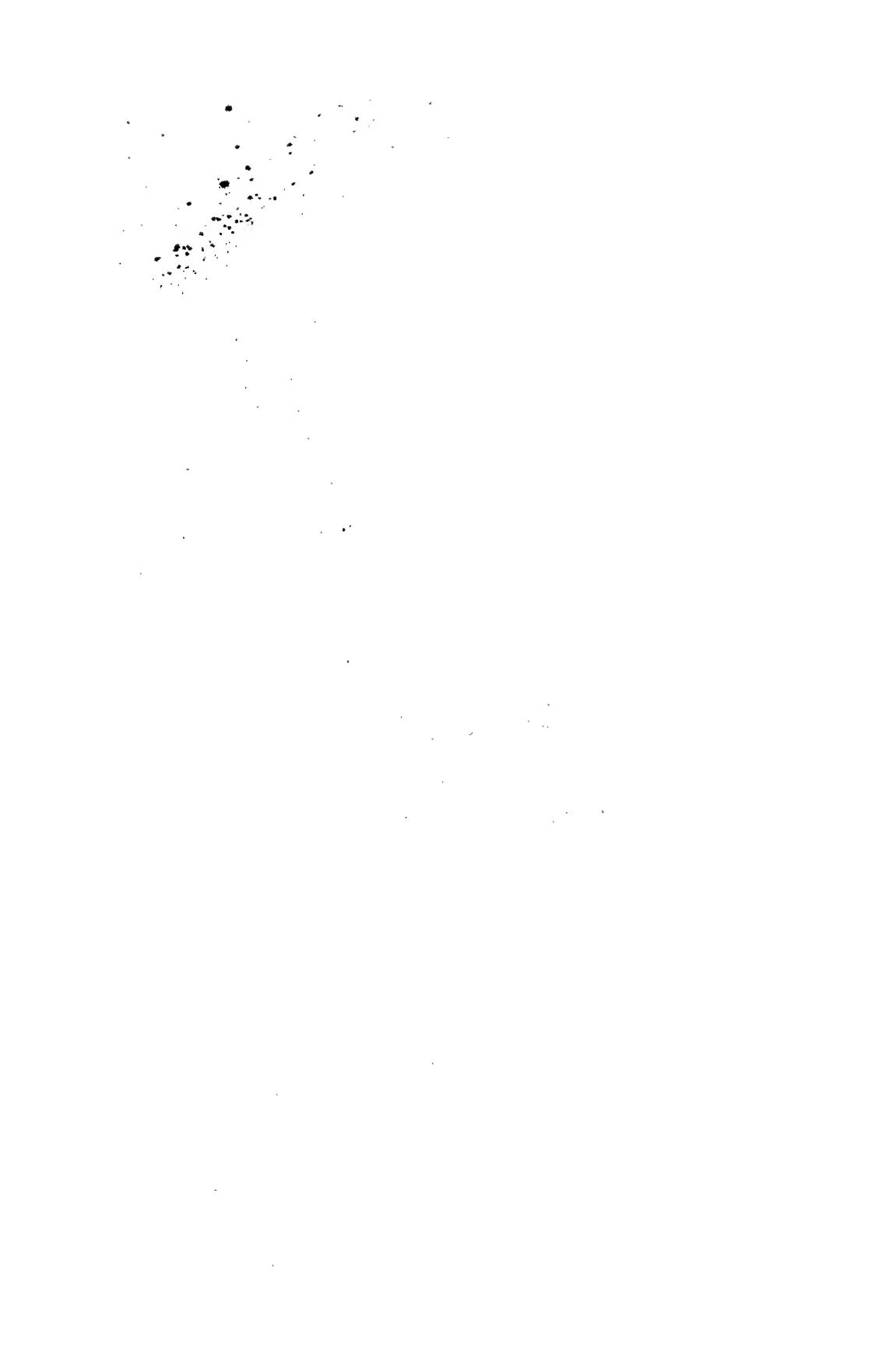
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DIRECTORS.

Governor.

EDEN COLVILE, ESQUIRE.

Deputy-Governor.

SIR JOHN ROSE, BART., G.C.M.G.

Committee.

EDWARD WILLIAM TERRICK HAMILTON, Esquire.

THOMAS HOLDSWORTH NEWMAN, Esquire.

MONTAGU C. WILKINSON, Esquire.

THOMAS R. EDRIDGE, Esquire.

SANDFORD FLEMING, Esquire.

CHARLES RUSSELL, Esq., Q.C., M.P.

The Hon. DONALD A. SMITH.

A GENERAL COURT of the Governor and Company of Adventurers of England trading into Hudson's Bay will be held at the City Terminus Hotel, Cannon Street, on Tuesday, the 1st July, at Two o'clock p.m., when a Report from the Governor and Committee will be laid before the Share-holders, and a Dividend will be declared.

The Transfer Books of the Company will be closed on the 19th instant, and re-opened on the 8th July.

By order of the Governor, Deputy-Governor, and Committee of the said Company,

W. ARMIT,

Secretary.

HUDSON'S BAY HOUSE,
London, June 10th, 1884.

R E P O R T.

The Governor and Committee have now to submit to the Proprietors the Annual Accounts of the Company, showing the results of trade for Outfit 1882, namely, from the 1st of June, 1882, to the 31st of May, 1883, and they have much pleasure in stating that the returns of the Outfit, which were brought to Market last Spring, realized a larger amount than the average of the last seven years.

The following statement shows a comparison of the prices with those obtained at the sales held in 1883 :—

| | | | |
|--|------------|----|-----|
| In January last Beaver advanced 60 per cent. | | | |
| In March last Bears | , | 25 | , |
| ,, | Cross Fox | , | 5 |
| ,, | Silver Fox | , | 10 |
| ,, | Lynx | , | 12½ |
| ,, | Marten | , | 35 |
| ,, | Mink | , | 10 |
| ,, | Otters | , | 15 |

and other articles maintained their former prices.

At the Meeting held in November, the Proprietors were informed that the Company's barque "Ocean Nymph," with a portion of the Returns of the Northern Department, had not arrived at the time she was usually due. Advices have since been received that the vessel had been detained by contrary winds, and only reached Churchill on the 8th of October. Ice soon after that date formed in the River, and the Captain considering that the homeward voyage could not be accomplished

at so late a season of the year, decided to winter at Churchill with the ship and cargo. Both, by recent advices, are reported to be uninjured.

In closing the present Accounts, a moderate valuation has been placed on the "Ocean Nymph's" cargo, the arrival of which may be expected early in October next.

The Governor and Committee are glad to report that while the accounts of the Fur trade districts show improved results, the profits derived from the general trade, conducted at Winnipeg and elsewhere, which also includes transactions in Furs, have proved equally satisfactory, and although during the last Winter and early Spring nearly all branches of business in Manitoba and portions of the North-West have been depressed, indications are now apparent that trade generally is improving as the season advances.

The profits on the accounts of Outfit 1882, amount to £130,217 14s. 3d. as compared with £68,427 11s. 3d. for Outfit 1881, and a further profit of £5,372 14s. arises from the realization of the returns of the last mentioned Outfit over the estimated value included in the accounts of last year.

The total Fur Trade and General Trade profits thus amount to £135,590 14s., of which the sum of £33,022 11s. 11d. is payable to the Officers under the Deed Poll, yielding £335 5s. 1d. per Share,—a sum which shows a satisfactory increase on the amount of remuneration derived by the Officers in recent years and renders recourse to the Company's guarantee of June, 1882, unnecessary.

It will be observed by reference to the Profit and Loss Account of the Company that a sum of £10,704 10s. 1d. is credited in settlement of the Company's claims for losses sustained during the disturbances which occurred at Red River when the Company's Territorial Rights were surrendered. This settlement was agreed to as the best arrangement which the Company could make with the Government under the circumstances, and the amount in question was arrived at by an adjustment of

the Company's claim for interest on the principal sum representing the consideration money for the transfer of the Territorial Rights under the Charter, and the relinquishment by the Company of its demands in respect of the other losses sustained in 1869.

The Net Profits of the Company for the year, including £3,217 7s. 8d. from the Marine Insurance Account, amount to £113,232 1s. 5d., to which must be added the amount carried forward from last year, making a total undivided balance of £139,438 14s. 9d., out of which the Governor and Committee now recommend a Dividend of 22s. per Share, amounting to £110,000. The balance to be carried forward after the payment of the proposed Dividend will amount to £29,438 14s. 9d. against a corresponding item of £26,206 13s 4d. carried forward last year.

The causes adverted to in former Reports, and especially the large purchases of land by parties in anticipation of actual settlement, continue to retard further sales, as well as the collection of instalments due on existing contracts in Manitoba and the North-West Territory. The Governor and Committee have not, therefore, considered it politic to take any exceptional steps to press the Company's lands there on the market. They are, however, glad to state that a large influx of settlers of an excellent class, both from the United Kingdom and the Continent, is reported to have taken place this spring, in greater numbers than during any previous season. The early completion of the Canadian Pacific Railway across the continent, which is now assured, and the general improvement in the facilities for the transport of products throughout the North-West Provinces generally, all point to the steady progress and advancement of the country. This is fully confirmed in the valuable and interesting report of the Minister of the Interior of the Dominion for the year 1883. He states that, although the receipts from the sale of Public Lands were less than the preceding year, the rate of progress

had been well maintained, and the augmentation in the population of Manitoba and the Territories, and the increase in area of homestead lands brought under cultivation during the year, have been satisfactory. The Minister of the Interior calls attention to the prospects of successful mining in the North West, as follows:—

“ The existence of coal in practically unlimited quantities in South-Western Manitoba, in the valleys of the North and South Saskatchewan, “ and indeed more or less throughout the whole of the Territories west of “ the Second Meridian, had already been satisfactorily proven; but not “ until the season of 1883 did coal mining become an established industry “ in that new country. During last summer, however, operations were “ commenced at several points, but particularly and with most success, “ on the South Saskatchewan, where that river is crossed by the Canadian “ Pacific Railway, from which place, at one period, there was an average “ daily out-put of from 300 to 400 tons, and this coal, even at Winnipeg, “ a distance of some 600 miles from the pit mouth, was procurable at from “ \$8 to \$11 per ton. The effect of this was to produce a very marked “ decrease in the cost of fuel of all kinds throughout Manitoba and the “ Territories, the price of anthracite in Winnipeg having fallen from “ \$15.75 to \$14.00 per ton.

* * * *

“ The prospects of successful mining for the precious metals on the “ eastern slopes of the Rocky Mountains are exceedingly encouraging. “ A large number of practical miners, drawn from various parts of the “ world, expended a good deal of time and capital in prospecting at “ different points in the course of the past summer. Some discoveries of “ rich ores are said to have been made, and there is every reason to “ anticipate that there will be an extensive movement of population “ towards the mining regions. On the Upper North Saskatchewan and “ its tributary streams flowing out of the mountains, there has as yet “ been no discovery reported of quartz or other gold-bearing rock in place, “ but this section of country is rich in promise of remunerative employ- “ ment for the class of miners who with primitive appliances and “ inexpensive outfit make the development of alluvial and sub-aqueous “ deposits their business.”

The Minister concludes his report by expressing confidence in the future of the country.

The Company's Land Account, exhibiting the cash receipts and disbursements for the year ending the 29th of February last,

shows a balance at that date of £54,813 10s. 9d. The Governor and Committee deem it inexpedient to make any return of Capital under £1 per Share; but in view of the amounts received since the 29th of February last, and of the further collections anticipated during the next six months, they fully expect to be able at the meeting to be held in November next, to recommend the return to the Proprietors of £1 per Share.

The charge to which the Company are liable for their share of the survey expenses of the one-twentieth of the land set out for settlement by the Dominion Government has been exceptionally heavy this year, entailing a payment of £11,007 0s. 7d. This covers the arrears due for several years to the end of 1882, and represents a much larger area than has yet been sold by the Company. The other expenses of the Land Department are somewhat less than the amount incurred in the previous year, and in view of the falling off for some time past in the sales of land at Winnipeg and the North-West Territory, the Governor and Committee have taken steps to effect such further reductions of the expenditure in connection with the management and sale of the Company's land as can be accomplished without impairing the regular and efficient operation of this branch of its affairs.

The overdue instalments and interest in respect of land sales have largely increased during the past year, and now reach £208,000 and £66,000 respectively; while the instalments not yet matured amount to £510,000, making a total of £784,000 now outstanding.

Sales to the amount of £25,000 have been cancelled during the past six months, and the land representing these sales has reverted to the Company with the payment of the first instalment amounting to £4,500. According to recent advices from the Company's Land Commissioner, the cancellation of a larger amount of land sales will probably require to be made; but all such cases will be carefully examined with a view to secure the collection of arrears from parties whose circumstances

afford a reasonable prospect of their ability to meet their engagements.

The rapid and steady progress made in the works of the Canadian Pacific Railway in British Columbia, and the recent action of the Dominion Government in securing the construction of a line of railway from Nanaimo to Esquimalt, in Vancouver's Island, have brought the value and advantages of the Landed Estate of the Company west of the Rocky Mountains into notice. The Governor and Committee have availed themselves of the demand which has arisen, and continuing their policy of meeting the market, have disposed of the following since the last Report :—

| | |
|--|------------|
| Ist. Suburban Lots at Victoria, equal to 42 acres, for | \$35,581 |
| 2nd. 387 acres in British Columbia at \$27·50 per acre | 10,581 |
| 3rd. Puget's Sound Company's Land at Esquimalt, of which the Company are 3/4th owners, their share being equal to .. | 30,000 |
| | ————— |
| | \$76,162 |
| | or £15,000 |

Having regard to the proceedings at the last Meeting of the Shareholders, and to the fact that two of the gentlemen then elected as Members of the Board reside in Canada, the Governor and Committee have appointed these gentlemen a Sub-Committee for Canada, to supervise the local affairs of the Company, and to afford the Board the benefit of their advice and assistance, with a view to the better regulation and management of its business abroad, and they trust that the interests of the Company will derive much benefit from this arrangement.

The Governor and Committee have accepted the resignation of Chief Commissioner Grahame, who has long been connected with the Fur trade, and have appointed as Trade Commissioner Mr. Joseph Wrigley, formerly President of the Chamber of

Commerce at Huddersfield, a gentleman whom they consider well qualified for this important position in the service of the Company.

Attention having been directed to certain provisions in the Company's Charter which are calculated to impede that expeditious administration of its affairs which modern requirements demand, the Governor and Committee propose with the sanction of the Shareholders to take the necessary steps to amend the Charter in certain particulars.

The accompanying Draft embodies the changes in respect of which application is being made to the Government for its approval, and which may be summarised as follows:

1st. To dispense with the corporal oath now required to be administered before the Governor and Committee enter on their duties.

2nd. To provide that the presence of the Governor or Deputy-Governor at certain meetings should not be obligatory.

3rd. To permit any Director to resign without the necessity of disposing of his shares.

4th. To enable the Shareholders to vote by Proxy.

5th. To make provision for the giving of notice as to the nomination of any Proprietor for the office of Director, and to enable the Board to fill any vacancy temporarily subject to the approval of the Shareholders.

6th. To provide that only one-third of the Directors shall retire annually.

The approval of the Shareholders will be asked to these amendments, but in case any material alterations are made by the Government in the accompanying Draft, the amended Charter will be submitted in due course to the Shareholders at a Special Meeting for their approval.

On behalf of the Committee,

E. COLVILE,
Governor.

(1.) TRADING ACCOUNT.

Exhibiting the Profit and Loss results during Outfit 1882; namely, from 1st June, 1882, to 31st May, 1883.

| Dr. | £ | s. | d. | £ | s. | d. | |
|---|---------|----|----|---|---------|----|----|
| To Goods, Provisions, Stores, Supplies, as per Inventory, 1st June, 1882 | 270,712 | 0 | 4 | By Proceeds of Furs and other Imports into Great Britain, the Returns of this Outfit, after deducting Freight, Dock Charges, Cartage, Fire Insurance, &c. | 264,598 | 9 | 7 |
| „ Goods (the produce of the country), Debts, and other Articles, as per Inventory, 1st June, 1882 | 365,165 | 12 | 9 | „ Estimated value of Furs in transit, less estimated amount of further charges against Outfit | 30,565 | 1 | 10 |
| „ Goods, Provisions, and Stores purchased in England, supplied for Outfit 1882 | 167,679 | 19 | 0 | „ Proceeds of Goods realized in the Territory, and other credits incidental to carrying on the Trade of Outfit 1882 | 89,812 | 16 | 2 |
| „ Amount written off as depreciated value of Ships and Balance of Ships' Accounts | 1,693 | 11 | 11 | „ Discount on Insurance Premiums | 1,168 | 14 | 11 |
| „ Purchase of Furs and Country Provisions in the Territory, and Transport, Insurance, and other debits incidental to carrying on the Trade of Outfit 1882 | 91,411 | 0 | 9 | „ Goods, Provisions, Stores, and Supplies, as per Inventory, 31st May, 1883 | 267,239 | 17 | 0 |
| „ Fire Insurance Fund | 2,000 | 0 | 0 | „ Goods (the produce of the country), Debts and other Articles, as per Inventory, 31st May, 1883 | 390,659 | 12 | 7 |

" Expenses incurred in London, 1st June, 1882,
to 31st May, 1883, viz.:—

| | | | |
|---|-------|-------|------------------------|
| Governor and Committee | 3,500 | 0 | 0 |
| Salaries of Secretary and other Officers | .. | 3,860 | 0 |
| Wages of Labourers em- ployed in the Ware- house, and Sundry Charges | .. | 2,888 | 2 4 |
| Rent and Taxes of Offices in Leadenhall Street, and Warehouse in Lime Street | .. | 2,138 | 2 11 |
| Miscellaneous Expenses, including Agency in Scotland, Law Charges, Stationery, Printing, &c. | 1,028 | 7 10 | 13,414 13 1 |
| " Salary, &c., to Local Officers | .. | .. | 1,000 0 0 |
| " Pensions and Donations in London and abroad | | | 750 0 0 |
| " Balance carried forward, being Profit on Outfit 1882 .. | .. | .. | 130,217 14 3 |
| | | | <u>£1,044,044 12 1</u> |
| | | | <u>£1,044,044 12 1</u> |

(2.) APPROPRIATION ACCOUNT.

四

Outfit 1882, and previous Outfits.

٦

| | £ s. d. | £ s. d. |
|--|--------------|--|
| To Officers, for their share of Profit, after deducting Interest | 33,022 11 11 | By Balance, being Profit on Outfit 1882, brought forward |
| ,, Fur Trade Officers' Reserve Fund, Amount appropriated thereto | 299 18 1 | ,, Profit on realization of outstanding accounts, viz.: — |
| ,, Hudson's Bay Company, for the Balance .. | 102,267 18 3 | Outfit 1880 .. |
| | | Outfit 1881 .. |
| | | .. 5,199 3 1 |
| | | ————— |
| | | 5,372 14 0 |
| | | ————— |
| | | £135,590 8 3 |
| | | ————— |
| | | £135,590 8 3 |

(3.) MARINE INSURANCE FUND.

Dr.

31st May, 1884.

Cr.

| | | | £ | s. | d. | 1884. | | £ | s. | d. |
|---------|---|--|--------|----|----|---------|---|---------|----|----|
| May 31. | To Particular Average on Steamer "Lily," &c. in respect of Insurances by the Company .. | | 1,418 | 8 | 7 | 1884. | June 1. By amount of Fund at this date | .. | .. | .. |
| " | Amount transferred to Profit and Loss Account | | 3,217 | 7 | 8 | May 31. | " Amount of Premiums on Insurances by the Company for Account of the Fur Trade from 1st June, 1883, to 31st May, 1884 | 2,623 | 6 | 5 |
| " | Balance | | 50,000 | 0 | 0 | | " Interest for one year | 2,012 | 9 | 10 |
| | | | | | | | | £54,635 | 16 | 3 |

HUDSON'S BAY COMPANY. (4.) PROFIT AND LOSS.

Pr. **Fr.** **1st June, 1883, to 31st May, 1884.**

| | To | Interest on Officers' and Servants' Deposits | £ s. d. | By Profit on Fur Trade brought to credit this year | £ s. d. |
|---|---|--|--------------|--|---------|
| " | Interest on Marine Insurance Fund | 1,825 14 5 | | 102,267 18 3 | |
| " | Income Tax | 2,012 9 10 | | 1,520 8 3 | |
| " | Sundry Colonial Charges not chargeable to Trading Account | 1,263 16 9 | | 3,217 7 8 | |
| " | Miscellaneous Expenses | | | 3,493 6 2 | |
| " | Balance carried down, being Net Profits | 113,232 1 5 | | | |
| | | <u>£121,203 10 5</u> | | | |
| | | | | <u>£121,203 10 5</u> | |
| | To | Dividend paid, July, 1883 | £60,000 0 0 | | |
| " | " | Balance of undivided Profits, 31st May, 1884 | 139,438 14 9 | | |
| | | | | <u>£113,232 1 5</u> | |
| | | | | <u>£113,232 1 5</u> | |
| | To | Balance brought down | | | |
| | | " Balance of undivided Profits, | | | |
| | | 1st June, 1885 | | | |
| | | | | <u>86,206 13 4</u> | |
| | | | | <u>£199,438 14 9</u> | |

(5.) LAND ACCOUNT.

Dr. *Exhibiting the Cash Receipts and Disbursements, from 1st March, 1883, to 29th February, 1884.* **Cr.**

| | | £ | s. | d. | £ | s. | d. |
|-------|---|----------|----------|----------|---------|----|----|
| 1883. | June 26 To Return of Capital :— | | | | | | |
| | For amount appropriated to the reduction of the Capital Stock of the Company at £1 per Share, per Resolution of the General Court of Proprietors, 26th June, 1883 .. | 100,000 | 0 | 0 | | | |
| 1884. | Feb. 29 , Amount paid to the Dominion Government for Surveys to 31st December, 1882 .. | 11,008 | 0 | 7 | | | |
| | Charges on Land in Manitoba for year ending this date :— | | | | | | |
| | Salaries of Land Commissioner and Clerks .. | £3,981 | 10 | 6 | | | |
| | Municipal and other Taxes .. | 5,096 | 11 | 0 | | | |
| | Surveyors inspecting and reporting upon Lands .. | 4,360 | 12 | 1 | | | |
| | Travelling and Office Expenses .. | 2,929 | 5 | 1 | | | |
| | Printing Pamphlets and Adver- tising .. | 2,711 | 19 | 8 | | | |
| | Legal and Miscellaneous expenses | 474 | 9 | 5 | | | |
| | Rent of Land Offices .. | 371 | 2 | 0 | | | |
| | Balance .. | .. | .. | .. | 19,925 | 9 | 9 |
| | | .. | .. | .. | 54,813 | 10 | 9 |
| | March 1 By Balance of former Account .. | .. | .. | .. | 116,801 | 3 | 8 |
| | May 31 , Cash received at Victoria, in respect of Sales of Land in British Columbia .. | .. | .. | .. | 2,193 | 1 | 10 |
| | Feb. 29 , Cash received at Winnipeg in respect of Sales of Land as follows :— | | | | | | |
| | Winnipeg Town Lots .. | 15,743 | 19 | 6 | | | |
| | West Lynne ” | 364 | 18 | 8 | | | |
| | Portage La Prairie Town Lots | 695 | 4 | 2 | | | |
| | Rat Portage ” | 873 | 14 | 0 | | | |
| | Edmonton ” | 614 | 9 | 7 | | | |
| | Prince Albert ” | 696 | 12 | 10 | | | |
| | Colville ” | 85 | 1 | 4 | | | |
| | Elphinstone ” | 30 | 16 | 5 | | | |
| | Qu'Appelle ” | 628 | 19 | 5 | | | |
| | Rosemount ” | 6 | 2 | 9 | | | |
| | Farming Lands in Manitoba and the North West Territory 24,459 | 6 | 3 | | | | |
| | Interest on unpaid Instalments, &c. .. | .. | .. | .. | 44,198 | 4 | 11 |
| | ” Amount received from the Dominion Government for one-twentieth of Revenue derived from Timber Lands in unsurveyed Territory within the Fertile Belt, to 31st Dec., 1882 .. | .. | .. | .. | 18,426 | 11 | 5 |
| | £185,747 | 1 | 1 | 1 | | | |

(6.) **B A L A N C E - S H E E T.**
 31st May, 1884.

Dr.

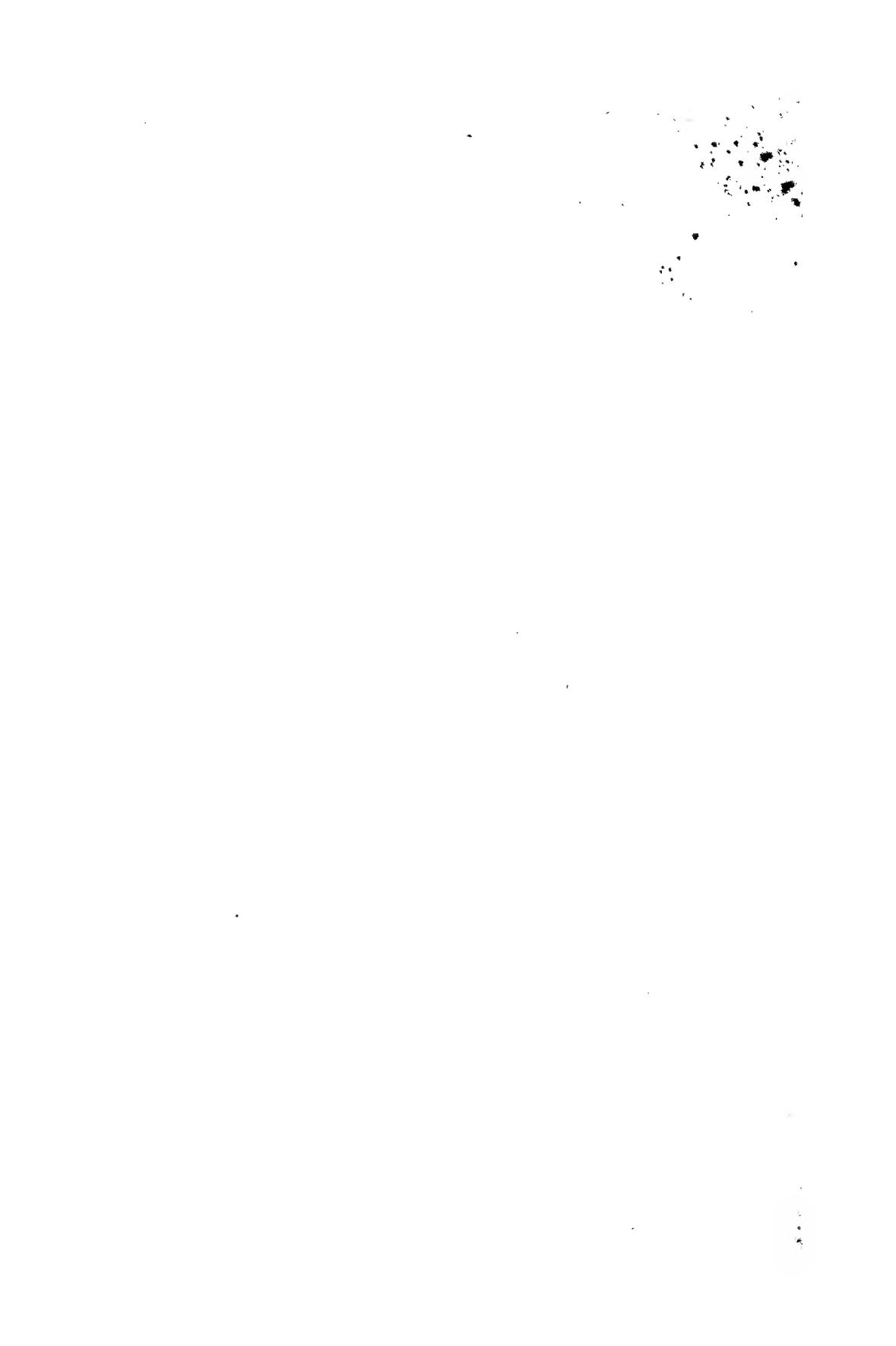
Credit.

| | £ | s. | d. | | £ | s. | d. |
|--|-------------------|-----------|----|--|-------------------|----|--------------|
| To Capital | .. | 1,400,000 | 0 | By Cash in hand, and on Deposit | .. | .. | 106,091 19 7 |
| ," Amount due to Officers and Servants on their Deposits | .. | 92,047 | 2 | ," Sundry Investments | .. | .. | 150,327 5 3 |
| ," Notes in circulation in Hudson's Bay | .. | 514 | 6 | ," Amount due by Officers and Servants | .. | .. | 2,174 0 4 |
| ," Land Sales, Balance to 29th February, 1884 | .. | 54,813 | 10 | ," Amount invested in the Fur Trade (exclusive of Goods in course of Shipment), viz.: Fleet of Ships and Steamers employed in the trade | .. | .. | 16,747 1 11 |
| ," Unpaid Dividends, and other Balances (exclusive of amount due in respect of Goods in course of Shipment on 31st May, 1884, not included in Assets <i>per contra</i>) | .. | 1,879 | 0 | Valuation of Trading Goods, Provisions and Stores in hand, and advances for carrying on the trade 963,138 0 7 | <u>979,885</u> | 2 | 6 |
| ," Marine Insurance Fund | .. | 50,000 | 0 | " Balance, represented by the remaining Property of the Company | .. | .. | 500,214 7 5 |
| ," Undivided Profits | .. | 139,438 | 14 | | <u>£1,738,692</u> | 14 | 1 |
| | <u>£1,738,692</u> | 14 | 1 | | | | |

Examined and found to be in due accordance with the Books, Accounts, and Vouchers of the Company,

W.M. QUILTER, Auditor.
 QUILTER, BALL, CROSBIE, GLEGG & WELTON.

5, Moorgate Street,
 10th June, 1884.







1984 JULY PROCEEDINGS MISSING.

